



*received 4-28-12*

**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Appeal Acknowledgement Letter**  
(Funding Year 2011: 07/01/2011 - 06/30/2012)

April 24, 2012

Lola Seitz,  
Pawnee City Public Library  
P.O. Box 311  
735 8th Street  
Pawnee City NE 68420-0311

**Subject: PAWNEE CITY PUBLIC LIBRARY**

Lola Seitz,

Universal Service Administrative Company has received your correspondence, dated April 19, 2012, on April 19, 2012, regarding the FY 2011 funding decision of your Form 471 Application Number 821817 – FRNs 2238253.

These are the steps that will now follow:

1. We will review your correspondence carefully to identify the specific issue(s) it raises.
2. We will consult the Program Integrity Assurance records and all supporting documentation for the application. Our goal is to determine whether the program rules were administered appropriately in processing your application.
3. Once the review process is completed we will respond in writing and state whether your appeal is approved, denied or approved in part. A Revised Funding Commitment Decision Letter will follow for any approved appeal resulting in additional discounts for your application. Funds have been set aside to implement funding decisions for appeals approved by the USAC and/or the Federal Communications Commission.

We will perform an in-depth review of your appeal. Our goal is to respond to you as promptly as possible. We thank you in advance for your patience as we handle your appeal with the care and attention it deserves.

Universal Service Administrative Company

*received  
5-5-12*

**Universal Service Administrative Company**  
Schools & Libraries Division

**Administrator's Decision on Appeal – Funding Year 2011-2012**

May 01, 2012

Lola Seitz  
Pawnee City Public Library  
P.O. Box 311  
735 8th Street  
Pawnee City, NE 68420-0311

Re: Applicant Name: PAWNEE CITY PUBLIC LIBRARY  
Billed Entity Number: 138418  
Form 471 Application Number: 821817  
Funding Request Number(s): 2238253  
Your Correspondence Dated: April 19, 2012

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2011 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2238253  
Decision on Appeal: **Denied**  
Explanation:

- According to information submitted in support of this funding request, the funds requested are for installation associated with Voice, Coax and Category 6 Cabling. Program Integrity Assurance (PIA) categorized this as Internal Connections; however, the cited FY 2011 FCC Form 470: 266800000913641-did not post for this service category, which is a violation of the 28 day competitive bidding requirements of this support mechanism. The record shows that PIA contacted the applicant and made them aware of the program violation. The applicant was requested to verify if the referenced FCC Form 470 was the establishing Form 470 for the services requested on the Form 471 application. Additionally, the applicant was given an opportunity to cite an alternate FCC Form 470 in order to cure the program's violation. In an e-mail dated February 2,



2012, the applicant stated that the FCC Form 470 establishing the bidding requirement for the requested services is FCC Form 470: 26680000913641. As this information was the same as the original input, the program violation was not cured and the request was denied. On appeal you state that the category of service is Telecommunications; however, USAC has determined that the category of service for this funding request is Internal Connections. On appeal, you have failed to provide any evidence that USAC erred in its initial determination or that Pawnee City Public Library is in compliance with the Schools and Libraries support mechanism 28 day competitive bidding requirements. Consequently, your appeal is denied.

- FCC rules require that all products and services for which an applicant requests discounts on an FCC Form 471 must be competitively bid on an FCC Form 470. The FCC Form 470 must include a complete description of the services for which discounts are sought, be posted on the website for 28 days, and applicants must carefully consider all bids received before selecting a vendor, entering into an agreement or signing a contract, and signing and submitting an FCC Form 471. See 47 C.F.R. secs. 54.503(b) and (c), 54.511(a) and (c). These competitive bidding requirements help to ensure that applicants receive the lowest pre-discount price from vendors. See Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Order on Reconsideration, 12 FCC Rcd 10095, 10098, FCC 97-246 para. 9 (rel. Jul. 10, 1997). The only exceptions to the posting requirement are for: (1) contracts signed on or before July 10, 1997 for the life of the contract; and (2) contracts signed between July 10, 1997 and before January 30, 1998 (the date on which the website became operational) for products and/or services provided under such contract between January 1, 1998 and December 31, 1998. See 47 C.F.R. secs. 54.511(c).

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either USAC or the FCC. For appeals that have been denied in full, partially approved, dismissed, or canceled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company